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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

September 13, 2000

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

**RE: In the Matter of Amendment of Section 2.106 of the
Commission's Rules to Allocate Spectrum at 2GHz
for Use By the Mobile-Satellite Service,
*ET Docket No. 95-18***

Dear Ms. Salas:

On September 6, 2000, SBC Communications Inc. submitted a Petition for Reconsideration in the above referenced proceeding. The petition submitted contained one clerical error. Footnote 2 cites SBC's Comments. The cite should have been to SBC's Reply Comments. Attached is the corrected copy of the petition. Please substitute this corrected version in the record for the version filed on September 6, 2000.

Thank you for your attention in this matter. If you have any questions, feel free to contact me.

Very truly yours,

Errol S. Phipps

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)
)
Amendment of Section 2.106 of the) ET Docket No. 95-18
Commission's Rules to Allocate)
Spectrum at 2GHz for Use)
by the Mobile-Satellite Service)

**SBC COMMUNICATIONS INC.'S
PETITION FOR RECONSIDERATION**

SBC Communications Inc. (SBC) files this Petition for Reconsideration, showing as follows:

On July 3, 2000, the Commission released the Second Report and Order and Second Memorandum Opinion and Order in this Docket (Second R&O).¹ In the Second R&O, the Commission, *inter alia*, established rules for the relocation of fixed services (FS) microwave licenses in the 2165-2200 MHz band. The rules, which include mandatory negotiations, cost sharing, and a sunset provision, allow new Mobile-Satellite Service (MSS) licensees to clear spectrum for their operations. While SBC generally supports the Commission's rules, they could be improved in one important respect: by allowing self-relocating incumbents to obtain reimbursement under the cost-sharing plan.

During the comment cycle, SBC, the American Petroleum Institute (API), and the Telecommunications Association (UTC) urged the Commission to adopt rules that would allow incumbents to self-relocate and obtain reimbursement under the Commission's cost-sharing

¹ *Amendment of Section 2.106 of the Commission's Rules to Allocate Spectrum at 2 GHz for Use by the Mobile-Satellite Service*, ET Docket No. 95-18, Second Report and Order and Second Memorandum Opinion and Order (2000).

plan.² Inexplicably, the Commission neither adopted nor rejected these requests. In fact, the Second R&O does not address self-relocation at all. For the reasons stated below, SBC seeks reconsideration of this issue.

DISCUSSION

It is not clear whether the Commission's failure to address cost-sharing for self-relocating incumbents was intentional or an oversight. Nevertheless, such a process would be beneficial to all concerned and should be adopted. When faced with similar circumstances and the same issue in the Personal Communications Services (PCS) proceeding, the Commission allowed self-relocating microwave incumbents to participate in the cost-sharing plan.³

In allowing self-relocating incumbents to obtain reimbursement under the cost-sharing plan in the PCS proceeding, the Commission reasoned that it would (1) accelerate the relocation process by promoting system-wide relocations; (2) give microwave incumbents the option of avoiding time-consuming negotiations; (3) allow for faster clearing of the 2 GHz band in some instances; and (4) possibly reduce the overall cost of clearing the 2 GHz band.⁴ These arguments apply with equal force in this proceeding.

The failure of the Commission to allow self-relocating incumbents to participate in the cost-sharing plan could create a disincentive for incumbents to quickly vacate the spectrum. When faced with the option of voluntarily clearing spectrum without compensation or waiting until relocation expenses will be covered by a MSS licensee, the incumbent will undoubtedly

² See SBC Reply Comments at 2; API Comments at 14; UTC Comments at 7; API Reply Comments at 10.

³ *Amendment to the Commission's Rules Regarding a Plan for Sharing the Costs of Microwave Relocation*, WT Docket No. 95-157, Second Report and Order (1997).

⁴ *Id.* at ¶ 25.


wait. The same would not be the case if incumbents were allowed to participate in the cost-sharing plan.

CONCLUSION

Therefore, SBC urges the Commission to reconsider adopting rules that would allow incumbents to self-relocate and obtain reimbursement through the cost-sharing plan.

Respectfully submitted,

SBC COMMUNICATIONS INC.

By: 
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September 6, 2000